

**USACE FINANCE CENTER**  
**BIWEEKLY REPORT**  
**PERIOD ENDING 17 FEBRUARY 2006**

**I. CEFMS:**

A. We revised the Operating Budget Module's Direct Labor - Budget vs. Actual Report so that actual labor amounts are excluded if the project is designated as not subject to either Departmental or G&A overhead, as shown on the project's fund account overhead indicators. Previously, the report included all labor that normally would be subject to overhead. This revision accommodates Civil Works USACE activities which have DA Interns funded by reimbursable operations and maintenance (O&M), Army funds which are carried under a Civil Works financing appropriation. It also reflects USACE activity decisions regarding specific projects.

B. We enhanced the Resource Code Detail Report by adding two new options. For both the Resource Code by Organization and the Resource Code by Work Item Reports, the CEFMS user can select whether to include only direct, reimbursable, or all fund types. In addition, on the Resource Code by Work Item Report, users can now include subordinate work items.

C. At the request of USACE Inspector General (IG), an additional query was developed and output was forwarded to the IG for labor hours recorded as telework hours and the number of employees recording telework hours.

D. We modified the Military Cost Ledger and the Civil Cost Ledger Reports so that users can run the report for current year cost for designated periods only. We added the capability to select data based on FAR order number/MIPR number. This was an improvement requested by the CEFMS Configuration Control Board and approved by the Director of Resource Management.

E. We tested the disbursing and check printing processes on a new currency code of JJ, for Japanese yen. We will need to update several data manager screens, and we wrote a script to add the new currency to a print matrix in the check printing program. The new currency code for Japanese yen is required as a result of the Japan District requiring and accepting bid bonds in Japanese currency.

F. We tested and released a modification to the Contract Disbursing Program for a contract that has Prompt Payment Act (PPA) interest and was funded by a customer order with an advance account.

G. We are currently testing the various options on a new screen that combines the functions of two previous screens, the Non Disburse Days Screen and the Non Process Days Screen.

H. We developed a Cost Share Physically Complete Report which will assist USACE Activities in closing cost share projects which are financially complete but for which all work items have not been updated with an actual end date, indicating physical work has been completed. The report identifies all work items which do not have an actual end date so that these work items can be updated. Once all work items are updated with an actual end date, the cost share project will be marked physically complete in CEFMS and closed. We also developed a monthly email to advise cost share responsible employees of the cost share projects which could be physically completed using this report. As of 17 January 06, there were 48 cost share projects which could be physically completed and closed using this report.

I. We monitored the cost share automated withdrawal program. For December 2005 and January 2006, the program withdrew \$172 million from sponsor advance accounts and \$20 million from sponsor work-in-kind accounts. Additionally, the program closed 13 cost share projects. All USACE activity databases remained in balance after the automated withdrawal program ran, and emails were generated advising responsible employees why the withdrawal program could not execute on specified cost share projects. We also used these emails to identify and write scripts to adjust cost recorded on 37 converted cost share projects to permit the withdrawal program to execute so these cost share projects could be closed out.

J. We provided comments on the DRAFT P2-CEFMS Interoperability Report. This report is a result of a study requested by the PMBP Program Manager to assess the connectivity between P2 and CEFMS so that current requirements and restrictions can be improved and so that the level of frustration currently being experienced by the end-users will be reduced.

K. We discussed known issues with the P2 team included in the CEFMS technical document for the Civil Works funding restriction change. We provided a revised document to the P2 team and we are awaiting approval of the revised technical document. To minimize impacts on both the P2 and CEFMS systems, the time frame to implement this requirement must be kept to a minimum. After approval of the technical documents, P2 and CEFMS teams will coordinate development and execution of a detailed schedule to work simultaneously on coding/testing.

L. We changed all accounts payable correlations for "cost of goods sold" general ledger updates to post to the expense general ledger account based upon the payee classification. Previously, the correlations updated the general ledger account based upon the funding source. We also corrected the erroneous general ledger account updates on all CEFMS database. This should help to correctly report eliminating entries on the CFO statements.

M. We made additional improvements to the Customer Order Detailed Cost Report to ensure the report agreed with billings. This report provides detailed cost information and is used to support FEMA billings. Our improvements helped ensure timely payments to USACE by FEMA.

N. We released corrections to the Billings Create/View screen that had been previously disabled. We modified the STAT.1 screen to display the refund bill amount and refund collection amount. Because travel settlements process through the Collection Voucher screen, we had to modify the code for the appropriation refund process to exclude travel settlements from processing through the new process. We modified the Collection Voucher screen to accommodate the processing of negative collections. We also improved the Appropriation Refund Billings Create/View screen to allow for adjustments of bills for lump sum contracts.

O. We completed the testing of the first phase of new processing for appropriation refunds in CEFMS. We released the modified code to the field and all refunds to contracts have been entered into the system. We continue to work on modifications to the same code related to foreign currency, government orders, local travel and interest. All work will be released in phases when completed.

P. We worked with the Resident Management System (RMS) systems group and identified negative transactions as those generated as part of the appropriation refund process. We also discussed the effects of those transactions on contractor's earnings as reported in RMS. We identified transactions generated by the processing of contractor's liquidated damages. We discussed the need to reduce available amounts of withholdings by liquidated damages when processing contractor earnings through RMS.

Q. We reviewed a document released by DFAS related to changes in Prompt Payment Interest penalties. Upon review, we determined that no changes were required to the current system processing of interest penalties in CEFMS.

R. We modified code for travel voucher processing so the data is updated correctly when a user deletes a supplemental voucher. Previously, when a supplemental voucher was deleted, the dates on the remaining voucher itinerary were not re-set to correct dates. This created errors on settlement computations.

S. We removed the block on travel orders for Other Per Diem and Other Per Diem Description. Edits and computations for travel are based on method of reimbursement on the itinerary, and not on data in this block. Since all USACE travel is under JTR regulation, we will indicate JTR on all orders without a response from the user.

T. We discovered and corrected a problem that prevented users from querying the certified local travel screen for de-obligation of unused funds. We modified the system so that certified claims will query for de-obligation if the approved amount is greater than the disbursed amount. We also added an option to this code to allow users to query on the PRAC NO from the main page.

U. We modified code for travel order so users can extend the return date after a final voucher has been filed.

V. We identified a problem related to the P2 budget. We found that the travelers' org code had changed since the previous settlement for this traveler had been disbursed. We discussed this issue with the P2 programmer. He stated that he has seen this problem before and a plan is being considered to prevent this problem in the future. In the interim, we contacted the USACE activity and advised them to create P2 budget for that work item/org code.

W. We modified the travel voucher code so that if a voucher is specified as FINAL when the travel order return date is more than 7 days past the current date, the user will receive a message stating: "The travel order return date is more than 7 days past today's date. Please verify that travel is complete. Should this be a PARTIAL voucher?" The user can specify YES and the Voucher Status will change to 'P' and the cursor will move to Partial Type that will be populated with a 'B'. The user can specify NO and the Voucher Status will remain 'F' and the cursor will move as it normally does when Voucher Status is 'F'. This change corrects a recurring problem for the USACE Finance Center because when a user selected the wrong status code, WinIATS could not accept voucher for settlement processing.

X. We modified the PCS Create/Update Settlement screen so that Previous Settlement Amount is now called Total Previous Settlement Amount and is the sum of all previous settlements for that travel order and obligation line item. Previously, the settlement amount was the sum of the previous settlements for that order, voucher sequence number and payee. Further, we modified PCS Create/Update Settlement screen for employees and vendors so that a negative settlement cannot be entered that would reduce the previously settled amount below zero.

Y. We added an edit to TFO Travel Settlement Create/Update screen so that a TFO Settlement cannot be created or updated with the FSN of the USACE activity creating the settlement.

Z. We reported a WinIATS problem where supplemental vouchers are not computing correctly (not recognizing previous payments) when the original voucher was converted from IATS 6.0.4. We submitted an official problem report documentation to Mike Canada, DFAS IATS PMO, along with data files of voucher and supplemental. DFAS has reported that the problem has been corrected and code will be included in the release scheduled for May of this year.

AA. We also submitted a suggestion to DFAS, IATS PMO, to add an option so that when a request is viewed through history, it could also be printed. Currently, examiners must look up the block number of an old voucher in history from IATS running on their PC, but must go to a stand alone PC with IATS to print the actual history voucher. We have been notified that this change will also be incorporated into the next WINIATS version.

## II. PROBLEM REPORTS/IMBALANCES:

### A. Open problem report inventory:

	<u>This Report</u>	<u>Last Report</u>
Total Problems	721	696
Priority #1 Problems	74	70

We received 173 new problem reports and completed 148 problem reports.

### B. Database Imbalances on our 62 Production Activities:

<u># of Imbalances</u>	<u>This Report</u>	<u>Last Report</u>
None	53	56
One	6	3
Two	1	2
Four	2	0
Seven	0	1

## III. ACCOUNTING OPERATIONS:

### A. NUMBER AND LOCATION OF ONBOARD PERSONNEL

<u>LOCATION</u>	<u>ONBOARD</u>
MILLINGTON:	229
HUNTSVILLE:	23
USACE HQ:	1
DA Interns:	1
TOTAL:	254

### B. DISBURSING WORKLOAD DATA

<u>PAYMENT</u>	<u>CURRENT MONTH</u> Feb 01-14	<u>YEAR TO DATE</u> Oct 01-Feb 14
CHECKS:		
CHECKS ISSUED	4,759	46,992
PERCENT OF TOTAL	11%	11%
DOLLAR AMOUNT	\$ 82,235,451	\$711,331,316
EFT:		
TRANSFERS MADE	29,551	229,580
PERCENT OF TOTAL	89%	89%
DOLLAR AMOUNT	\$1,116,962,185	\$9,364,274,610

\*percentages adjusted for utility checks which do not have to participate in EFT

#### **IV. OTHER UFC ISSUES:**

A. The CFO team completed the 1<sup>st</sup> Quarter FY 2006 Intra-governmental Reconciliation and Material Differences Report for trading partner reciprocal categories. The major difference on our report was for discrepancies in reporting between USACE and the Department of Homeland Security (DHS). We reported receivables and revenue for reimbursable work performed for Federal Emergency Management Agency (FEMA), an agency under DHS, in support of the hurricane relief effort. FEMA reported a much smaller reciprocal amount of payables and expense. We have scheduled a teleconference with DHS to work out a solution to the reporting difference. We plan to provide our receivable, unbilled work-in-progress and revenue figures to DHS for them to incorporate into their quarterly financial statement reporting as payables and expense.

B. Members of the CFO Team met for four days to concentrate efforts on developing queries that capture the universe of expense transactions and reconcile the totals to the general ledger accounts. This is part of the ongoing effort to identify the causes of the elimination balancing journal vouchers that reclassify payables and expense from federal to public in the Defense Departmental Reporting System (DDRS). These adjustments are considered unsupported. We were able to identify differences between intra-Corps receivables and unbilled work-in-progress vs. the offsetting intra-Corps accrued payable transactions. This detailed data would properly support an adjusting entry and eliminate the unsupported reclassification between federal and public payables.

C. We submitted a report of waived entity challenges to Office of Secretary of Defense (Comptroller) (OSD(C)). As a waived entity, USACE provides payable, expense and transfers-in figures to the other Department of Defense (DoD) agencies for them to record as receivables, revenue and transfers-out in their financial statement compilation. Any agency, waived or not, can challenge our data and we must supply the support for the data we provided. A reconciliation process takes place between USACE and other waived entities within DoD. USACE can also challenge other waived entities, as we did with Defense Threat Reduction Agency (DTRA). This challenge revealed that DTRA had coded \$23 million of their transactions to USACE Civil Works that actually belonged to Army General Fund. This was noted in the report we sent to OSD(C).

D. Beginning the week of 13 Feb 06, USACE Finance Center personnel began weekly conference calls with finance personnel in the Gulf Region Division (GRD) and the Project Contracting Office. The conference calls are intended to resolve mutual vendor payment issues with the goal of reducing prompt payment interest being paid on the GRD contracts.

E. The UFC Travel Division is currently processing PCS vouchers received 7 Feb 06.

F. We have conducted physical inventories of personal property throughout the UFC Millington location with 90% of the accountable property scanned so far. Remaining inventory to be scanned includes a few items locally and inventory at two remote site locations. We expect to scan all inventory within the next month to complete annual inventory requirements.

G. The UFC recently participated in a competitive sourcing in-process review (IPR) teleconference with all USACE MSCs. The status of all ongoing studies was discussed; however, key near-term milestone dates for the Logistics High Performing Organization and the Information Management/Information Technology efforts were emphasized. Several human resource issues were also addressed. We were told that the Performance Decision Action Handbook (identifying actions required after the initial performance decision) was in the final review process.

H. The UFC has completed the FY08 TDA/TAADS update. This update reflects a reduction of seven military funded man-years when compared to the UFC's FY06 USACE manpower allocation. On another manpower-related topic, we submitted our manpower utilization reports for January reflecting a combined civil/military over-utilization of .4% which is within the green rating for CMR purposes.

I. We have restarted our Management Analysis and Improvement Program. The Accounting Quality Division is responsible for this program which is intended to give the Director assessments of the conditions in selected areas of the Accounting and Finance Directorates operations. The first review will be the reconciliation of IRS deposits for taxes withheld from PCS and other payments.



J. The Resource Management Division completed phase I of the Joint Review Program triennial reviews for FY06. This was accomplished using the CEFMS automated Unliquidated Obligations (ULO) review process. The responsible parties were contacted via email to review their ULOs. The system allowed each individual to input any adjustments needed on each category they reviewed. We reviewed amounts totaling about \$214M and made net adjustments of about \$335K.

K. On 10 February, we completed the annual customer service survey. The survey consisted of 51 questions covering operations in the three UFC technical directorates. Results were similar to prior years with an overall average response of 3.3 on a scale of one to four with four being a rating of Very Good. We will post the survey results on our public website as in the past.